EXHIBIT 1

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Attorneys for Petitioners Western Energy Alliance and Independent Petroleum Association of America

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF WYOMING

STATE OF WYOMING, et al., Petitioners, v. UNITED STATES DEPARTMENT OF THE INTERIOR, et al. Respondents.	)))))))))))))	Civil Case No. 2:16-cv-00285-SWS [Lead] Consolidated with: Case No. 2:16-cv-00280-SWS Assigned: Hon. Scott W. Skavdahl

DECLARATION OF DANIEL T. NAATZ

I, Daniel T. Naatz, do certify under penalty of perjury as follows:

1. I am the Senior Vice President of Government Relations and Political Affairs for the Independent Petroleum Association of America (IPAA). IPAA's offices are located at 1201 15th Street NW, Suite 300, Washington, DC, 20005. I can be contacted at 202.857.4722 or dnaatz@ipaa.org.

2. I am over the age of twenty one, and I have personal knowledge of the facts set forth herein. I would and could testify to these facts if called upon to do so in a court of law.

3. IPAA is the leading national upstream trade association representing thousands of independent oil and natural gas producers and service companies across the United States. Independent producers generally include non-integrated oil and gas companies that receive nearly all revenue from production at the wellhead. One of IPAA's primary purposes is to advocate for its members' interests in continued and responsible oil and gas development before Congress and federal agencies and in the judicial system.

4. On federal, Indian, state, and private land, IPAA's members develop ninety-five percent of domestic oil and gas wells, produce fifty-four percent of domestic oil, and produce eighty-five percent of domestic natural gas.

5. IPAA estimates there are at least 1,500 small producers, meaning those producers with fewer than 15 employees, operating in the Western states of Colorado, New Mexico, North Dakota, Utah, Wyoming, and Montana.

6. According to the United States Energy Information Administration (EIA), marginally economic wells accounted for 10 percent of all oil production in the United States in 2015, producing nearly 3.5 million barrels.[1] EIA estimates there were about 380,000 marginally economic oil wells in the United States operating at the end of 2015. *Id.*

7. IPAA estimates there are 388,859 marginally economic natural gas wells in the United States currently operating.

8. Thus, there are roughly 785,000 marginally economic oil and natural gas wells

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[1] EIA is data available at https://www.eia.gov/todayinenergy/detail.php?id=26872 (last accessed, December 19, 2016).

operating across the United States.

9. As BLM acknowledges in the Venting and Flaring Rule (the Rule), approximately 85 percent of wells on federal and Indian leases are classified as marginally economic, low production wells (i.e., produce 15 barrels of oil equivalent per day or less). 81 Fed. Reg. 83,008, 83029 (Nov. 18, 2016).

10. The compliance costs under the Rule on a per-well basis, including those associated with determining whether storage tank controls are required, inspecting and monitoring each facility, and complying with the Rule's recordkeeping and reporting requirements, present serious threats to the viability of the numerous small operators with marginally economic wells in their fleet. Even a small increase in marginal lease operating expenses on a low production, marginally economic oil or natural gas well will render the well uneconomic and require an operator to shut in production, often permanently. Shutting in production can have a disproportionate impact on smaller operators, including potentially forcing such companies to abandon leaseholds or go out of business.

11. If the Rule is not implemented, IPAA's members would not be subject to the harm detailed in paragraph ten.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct and was executed in Washington, DC on this 21st day of December, 2016.

Daniel T. Naatz